

DOCKET FILE COPY ORIGINAL
EX PARTE OR LATE FILED



R. Gerard Salemm
Vice President - Government Affairs

Suite 1000
1120 20th Street, N.W.
Washington, DC 20036
202 457-3118
FAX 202 457-3205

July 29, 1996

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

RECEIVED
JUL 29 1996
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: Ex Parte Presentation -- CC Docket No. 96-98

Dear Mr. Caton:

Today I provided the attached letter and attachments to Chariman Hundt, Commissioner Quello, Commissioner Ness and Commissioner Chong. In addition, I provided copies of the letter to the following Commission personnel: Regina Keeney, Richard Metzger, Larry Atlas, John Nakahata, James Casserly, Lauren Belvin, and Daniel Gonzales.

Two copies of this Notice, along with the attached letter, are being submitted to the Secretary of the FCC in accordance with Section 1.1206(a)(1) of the Commission's rules.

Sincerely,

A handwritten signature in dark ink, appearing to be "R. Gerard Salemm", written over a horizontal line.

Attachments

No. of copies rec'd
List ABOVE

0+2



R. Gerard Salemma
Vice President - Government Affairs

Suite 1000
1120 20th Street, N.W.
Washington, DC 20036
202 457-3118
FAX 202 457-3205

July 29, 1996

Chairman Reed Hundt
Federal Communications Commission
1919 M Street N.W.
Washington, D.C. 20554

Re: CC Docket No. 96-98

Dear Chairman Hundt:

Attached is an Ameritech news release dated Friday, July 26, 1996, announcing Ameritech's plans to dramatically reduce access rates to long distance companies. Ameritech's ability to **reduce access charges by 55%** demonstrates that access charges are exorbitant and completely unrelated to cost. Further, Ameritech's decision to reduce access fees rather than offering customers in 82% of its exchanges a choice for local toll service is anti-competitive behavior at its worst. By this action it is clear that Ameritech will do anything to protect its monopoly -- even if it means denying consumers and business customers all the benefits of competition in the local toll market.

The main purpose of the Telecommunications Act of 1996 is to foster competition in the local telephone services market. Ameritech is attempting to block competition and deny customers a choice by trying to do everything it can to hold on to its monopoly of local toll services.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. Gerard Salemma", written in a cursive style.



News Release

AMERITECH RELEASE: Friday, July 26, 1996

For further information, contact:

Sara Snyder, Ameritech, 313/223-7192

Jonathan James, Ameritech, 313/223-7194

Ameritech to Cut Access Rates to Long-Distance Companies

DETROIT -- Ameritech today announced it will reduce certain access fees to long-distance companies in Michigan by 55 percent.

The move is the result of a Michigan Public Service Commission (MPSC) order requiring Ameritech to either discount intraLATA access rates or provide dialing parity on toll calls in 82 percent of its exchanges. The company already provides dialing parity to 10 percent of its exchanges in Michigan. Customers can use alternative companies for toll calls by dialing 1 instead of a special access code before the regular phone number.

"The order is inconsistent with Michigan and federal law that links dialing parity in additional exchanges with Ameritech's ability to offer long-distance service," said Bob Cooper, president of Ameritech Michigan.

"We are seeking a rehearing and expect the order to be reversed because Ameritech still isn't allowed to offer long-distance service," Cooper said. "The Michigan Telecommunications Act and the federal Telecommunications Act of 1996 are very clear; customers benefit when they have full choice among companies that offer all services including local, intraLATA toll and long-distance. We've elected to discount access rates rather than enable unfair competition that creates customer confusion."

Following conversion of 10 percent of Ameritech's exchanges to dial 1 parity earlier this year, the company surveyed 500 customers who switched companies for their intraLATA toll. Two out of three customers weren't aware they had selected a different company to handle these calls.

"Certainly, not knowing which company carries your toll and long-distance calls can't be considered a 'benefit' of competition," Cooper said. "It's obvious the consumer will only benefit from fair, unbridled competition in all markets. Ameritech has advocated the full and fair concept since 1993 and we will continue to do so until the walls of lop-sided competition come tumbling down."

A worldwide leader in making communications easy, Ameritech (NYSE: AIT) serves millions of customers in 50 states and 40 countries. Ameritech provides a full range of communications services, including local and long distance telephone, cellular, paging, security monitoring, cable TV, electronic commerce, on-line services and more. One of the world's 100 largest companies, Ameritech (www.ameritech.com) has 67,000 employees, 1 million shareowners and \$23 billion in assets.

News & Information | Ameritech Home

Mike Pruy
312-230-4894 (office)
708-778-9320 (home)
1-800-965-9429 (pager)

Oriano Pagnucci
312-230-4888 (office)
708-403-9158 (home)

DRAFT: AT&T's Response to Ameritech Michigan's Filing

FOR RELEASE: MONDAY, JULY 29, 1996

Following is AT&T's response to Ameritech Michigan's announcement Friday afternoon that it would reduce certain access fees to long-distance companies in Michigan by 55 percent rather than offering customers a choice for local toll service in Michigan. It can be attributed to Ray O'Connell, AT&T public relations vice president for the Central states.

LANSING, Mich. -- "Ameritech's decision on Friday to reduce access fees rather than offering customers in 82 percent of its exchanges a choice for local toll service is anti-competitive behavior at its worst. By this action it's obvious that Ameritech will do anything to protect its monopoly on local toll service in Michigan -- even if it means denying Michigan consumers and business customers all the benefits of competition in the local toll market.

"On June 26, the Michigan Public Service Commission (MPSC) by a 3 to 0 vote had ordered Ameritech to provide local toll dialing parity from 82 percent of its central offices within 30 days. Ameritech then filed three motions with the MPSC on July 9 asking for a rehearing, a reopening and a stay of the Commission's order. These motions were in effect denied by the MPSC on the advice of its staff.

"Ameritech is denying Michigan customers the benefits of competition with the lame excuse that 'competition creates customer confusion.' Ameritech claims that the MPSC's order is inconsistent with Michigan and federal law that links dialing parity in additional exchanges with Ameritech's ability to offer long-distance service. We think this argument is totally bogus and without merit. One of the main purposes of both the Michigan Telecommunications Act and the federal Telecommunications Act of 1996 is to foster competition in the local telephone service market. Ameritech is attempting to block competition and deny customers a choice by trying to do everything it can to hold on to its monopoly of local toll service in Michigan.

"We urge the MPSC to deny Ameritech's request for a rehearing and order the company to give Michigan consumers and businesses a choice for local toll providers."

###